

AO 120 (Rev. 2/99)

TO: Mail Stop 8 Director of the U.S. Patent & Trademark Office P.O. Box 1450 Alexandria, VA 22313-1450	REPORT ON THE FILING OR DETERMINATION OF AN ACTION REGARDING A PATENT OR TRADEMARK
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In Compliance with 35 § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been
 filed in the U.S. District Court Northern District California on the ☐ Patents or ☒ Trademarks:

DOCKET NO. CV 11-01177 JCS	DATE FILED 3/10/2011	U.S. DISTRICT COURT 450 Golden Gate Avenue, 16 th Floor, San Francisco CA 94102
PLAINTIFF LEVI STRAUSS AND CO		DEFENDANT QUIKSILVER INC
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1 356,701		***SEE ATTACH COMPLAINT***
2 516,561		
3 577,490		
4 774,625		
5 775,412		

In the above—entitled case, the following patent(s) have been included:

DATE INCLUDED	INCLUDED BY <input type="checkbox"/> Amendment <input type="checkbox"/> Answer <input type="checkbox"/> Cross Bill <input type="checkbox"/> Other Pleading		
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK	
1 1,157,769			
2			
3			
4			
5			

In the above—entitled case, the following decision has been rendered or judgement issued:

DECISION/JUDGEMENT

CLERK Richard W. Wieking	(BY) DEPUTY CLERK Gina Agustine-Rivas	DATE March 10, 2011
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Copy 1—Upon initiation of action, mail this copy to Commissioner Copy 3—Upon termination of action, mail this copy to Commissioner
 Copy 2—Upon filing document adding patent(s), mail this copy to Commissioner Copy 4—Case file copy

ORIGINAL
FILED

MAR 10 2011

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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LEVI STRAUSS & CO.

I hereby certify that the annexed
instrument is a true and correct copy
of the original on file in my office.

ATTEST:

RICHARD W. WIEKING

Clerk, U.S. District Court

Northern District of California

By GINA AGUIRRE

Deputy Clerk

Date 3/10/11

UNITED STATES DISTRICT COURT

THE NORTHERN DISTRICT OF CALIFORNIA

E-filing

JCS

LEVI STRAUSS & CO.,

Plaintiff,

v.

QUIKSILVER, INC.,

Defendant.

CV11 1177

COMPLAINT FOR TRADEMARK
INFRINGEMENT, UNFAIR
COMPETITION AND DILUTION,
AND BREACH OF SETTLEMENT
AGREEMENT (INJUNCTIVE
RELIEF SOUGHT)

JURY TRIAL DEMAND

Plaintiff Levi Strauss & Co. ("Plaintiff" or "Levi Strauss") complains against Defendant
Quiksilver, Inc. ("Defendant" or "Quiksilver") as follows:

JURISDICTION, VENUE AND INTRA-DISTRICT ASSIGNMENT

1. Plaintiff's first, second and third claims arise under the Trademark Act of 1946 (the
Lanham Act), as amended by the Federal Trademark Dilution Act of 1995 (15 U.S.C. §§ 1051, et
seq.). This Court has jurisdiction over such claims pursuant to 28 U.S.C. §§ 1338(a) and 1338(b)
(trademark and unfair competition), 28 U.S.C. § 1331 (federal question) and 15 U.S.C. § 1121
(Lanham Act). This Court has supplemental jurisdiction over the remaining state law claims under 28
U.S.C. § 1367.

2. Venue is proper in this Court under 28 U.S.C. § 1391(b) because Defendant transacts
affairs in this district and because a substantial part of the events giving rise to the claims asserted

1 arose in this district.

2 3. Intra-district assignment to any division of the Northern District is proper under Local
3 Rule 3-2(c) and the Assignment Plan of this Court as an "Intellectual Property Action."

4 **PARTIES**

5 4. Levi Strauss & Co. is a Delaware corporation with its principal place of business at
6 Levi's Plaza, 1155 Battery Street, San Francisco, California 94111. Operating since approximately
7 the 1850's, Levi Strauss is one of the oldest and most well known apparel companies in the world. It
8 manufactures, markets and sells a variety of apparel, including its traditional LEVI'S® denim blue
9 jean products.

10 5. Levi Strauss is informed and believes that defendant Quiksilver, Inc. is a Delaware
11 corporation with its principal place of business at 15202 Graham Street, Huntington Beach, California
12 92649. Levi Strauss is informed and believes that Quiksilver manufactures, distributes and sells or
13 has manufactured, distributed, licensed and sold a line of clothing, including jeans, under the brand
14 name QUIKSILVER which is offered for sale and sold in this judicial district. Levi Strauss is further
15 informed and believes that Quiksilver has authorized, directed, licensed and/or actively participated in
16 the wrongful conduct alleged herein.

17 **FACTS AND ALLEGATIONS COMMON TO ALL CLAIMS**

18 **Levi Strauss's Tab Trademark**

19 6. Levi Strauss marks its LEVI'S® brand products with a set of trademarks that are
20 famous around the world. For many years prior to the events giving rise to this Complaint and
21 continuing to the present, Levi Strauss annually has spent great amounts of time, money, and effort
22 advertising and promoting the products on which its trademarks are used and has sold many millions
23 of these products all over the world, including throughout the United States and in California.
24 Through this investment and large sales, Levi Strauss has created considerable goodwill and a
25 reputation for quality products.

26 7. Among its marks, Levi Strauss owns the famous Tab Device Trademark (the "Tab
27 trademark"), which consists of a textile marker or other material sewn into one of the regular
28 structural seams of the garment. Levi Strauss first used the Tab trademark in 1936 to identify genuine

1 LEVI'S® products. Levi Strauss uses the Tab trademark on jeans and a variety of other clothing
2 products, including shirts, jackets, pants and shorts.

3 8. Levi Strauss began to display the Tab trademark on the rear pocket of its pants in 1936
4 when its then National Sales Manager, Leo Christopher Lucier, proposed placing a folded cloth ribbon
5 in the structural seams of the rear pocket. The purpose of this "tab" was to provide "sight
6 identification" of Levi Strauss's products. Given the distinctiveness of the Tab trademark, Mr. Lucier
7 asserted that "no other maker of overalls can have any other purpose in putting a colored tab on an
8 outside patch pocket, unless for the express and sole purpose of copying our mark, and confusing the
9 customer."

10 9. Levi Strauss owns, among others, the following United States Registrations for its Tab
11 trademark, attached as Exhibit A. These registrations have become incontestable under the provisions
12 of 15 U.S.C. § 1065.

13 a. Registration No. 356,701 (first used as early as September 1, 1936; registered
14 May 10, 1938);

15 b. Registration No. 516,561 (first used as early as September 1, 1936; registered
16 October 18, 1949);

17 c. Registration No. 577,490 (first used as early as September 1, 1936; registered
18 July 21, 1953);

19 d. Registration No. 774,625 (first used as early as May 22, 1963; registered
20 August 4, 1964);

21 e. Registration No. 775,412 (first used as early as October 9, 1957; registered
22 August 18, 1964); and

23 f. Registration No. 1,157,769 (first used as early as September 1, 1936; registered
24 June 16, 1981).

25 10. The Tab trademark is valid and protectable, and exclusively owned by Levi Strauss.
26 The Tab trademark is famous and recognized around the world and throughout the United States by
27 consumers as signifying authentic, high quality LEVI'S® jeans.

28 11. Images showing some of Levi Strauss's uses of the Tab trademark are attached to this

1 Complaint as Exhibit B.

2 **Quiksilver's Infringements of the Tab Trademark and Breach of Settlement Agreement**

3 12. Quiksilver has infringed Levi Strauss's Tab trademark before. In 2000, the parties had
4 a dispute over Quiksilver's use of an infringing pocket tab on shirts. That dispute was resolved by
5 means of a settlement agreement, pursuant to which Quiksilver agreed that it would not, in the future,
6 "manufacture, license, sell, offer for sale, distribute, import, export, advertise, promote, or display any
7 item of clothing . . . that displays . . . any tab which is substantially similar to LS&CO.'s Tab
8 Trademark." That agreement (hereinafter the "2000 Settlement Agreement") is attached hereto as
9 Exhibit C and incorporated by reference.

10 13. In 2005, Levi Strauss once again protested Quiksilver's use of a variety of pocket tabs
11 that violated Levi Strauss's trademark rights as well as the 2000 Settlement Agreement. Among the
12 Quiksilver tabs to which Levi Strauss objected was a red tab which appeared on the right-hand seam
13 of the right rear pocket of Quiksilver jeans. Quiksilver subsequently filed a declaratory relief action
14 against Levi Strauss, and Levi Strauss counterclaimed for infringement of its Tab trademark.

15 14. Levi Strauss and Quiksilver resolved this dispute in 2006 by means of a second
16 settlement agreement. As part of the 2006 agreement, Quiksilver indicated that it intended to
17 discontinue its use of the red tab starting with its Holiday 2006 season. Based on that representation,
18 Levi Strauss agreed to withdraw its claims relating to the red tab.

19 15. On information and belief, Quiksilver subsequently recommenced use of the red tab
20 that was at issue in 2006 and continues to license, manufacture, source, market and sell jeans
21 displaying pocket tabs that infringe and dilute the Tab trademark, including the red tab. The current
22 infringing Quiksilver pocket tabs (hereinafter the "Quiksilver tabs"), including those shown in Exhibit
23 D, are substantially and confusingly similar to Levi Strauss's Tab trademark and erode the
24 distinctiveness of Levi Strauss's mark.

25 16. Levi Strauss is informed and believes that Quiksilver has manufactured, marketed and
26 sold substantial quantities of garments bearing the Quiksilver tabs, and has obtained and continues to
27 obtain substantial profits from these sales.

28 17. Quiksilver's actions have caused and will cause Levi Strauss irreparable harm for

1 which money damages and other remedies are inadequate. Unless Quiksilver is restrained by this
2 Court, it will continue and/or expand its illegal activities and otherwise continue to cause great and
3 irreparable damage and injury to Levi Strauss by, among other things:

- 4 a. Depriving Levi Strauss of its statutory rights to use and control use of its
5 trademark;
- 6 b. Creating a likelihood of confusion, mistake and deception among consumers
7 and the trade as to the source of the infringing products;
- 8 c. Causing the public falsely to associate Levi Strauss with Quiksilver and/or its
9 products, or vice versa;
- 10 d. Causing incalculable and irreparable damage to Levi Strauss's goodwill and
11 diluting the capacity of its trademark to differentiate LEVI'S® products from
12 others; and
- 13 e. Causing Levi Strauss to lose sales of its genuine clothing products.

14 18. Accordingly, in addition to other relief sought, Levi Strauss is entitled to preliminary
15 and permanent injunctive relief against Quiksilver, its affiliates, licensees, subsidiaries and all persons
16 acting in concert with it.

17 **FIRST CLAIM**
18 **FEDERAL TRADEMARK INFRINGEMENT**
19 **(15 U.S.C. §§ 1114-1117; Lanham Act § 32)**

20 19. Levi Strauss realleges and incorporates by reference each of the allegations contained
21 in paragraphs 1 through 18 of this Complaint.

22 20. Without Levi Strauss's consent, Quiksilver has used, in connection with the sale,
23 offering for sale, distribution or advertising of its products, designs that infringe upon Levi Strauss's
24 registered Tab trademark.

25 21. These acts of trademark infringement have been committed with the intent to cause
26 confusion, mistake, or deception, and are in violation of 15 U.S.C. § 1114.

27 22. As a direct and proximate result of Quiksilver's infringing activities, Levi Strauss has
28 suffered substantial damage and irreparable harm.

23. Quiksilver's infringement of Levi Strauss's trademark is an exceptional case and was

1 intentional, entitling Levi Strauss to treble its actual damages and to an award of attorneys' fees under
2 15 U.S.C. §§ 1117(a) and 1117(b).

3
4 **SECOND CLAIM**
5 **FEDERAL UNFAIR COMPETITION**
6 **(False Designation of Origin and False Description)**
7 **(15 U.S.C. § 1125(a); Lanham Act § 43(a))**

8 24. Levi Strauss realleges and incorporates by reference each of the allegations contained
9 in paragraphs 1 through 23 of this Complaint.

10 25. Quiksilver's conduct constitutes the use of symbols or devices tending falsely to
11 describe the infringing products, within the meaning of 15 U.S.C. § 1125(a)(1). Quiksilver's conduct
12 is likely to cause confusion, mistake, or deception by or in the public as to the affiliation, connection,
13 association, origin, sponsorship or approval of the infringing products to the detriment of Levi Strauss
14 and in violation of 15 U.S.C. § 1125(a)(1).

15 26. As a direct and proximate result of Quiksilver's infringing activities, Levi Strauss has
16 suffered substantial damage and irreparable harm.

17 **THIRD CLAIM**
18 **FEDERAL DILUTION OF FAMOUS MARK**
19 **(15 U.S.C. § 1125(c); Lanham Act § 43(c))**

20 27. Levi Strauss realleges and incorporates by reference each of the allegations contained
21 in paragraphs 1 through 26 of this Complaint.

22 28. Levi Strauss's Tab trademark is distinctive and famous within the meaning of the
23 Trademark Dilution Revision Act of 2006, 15 U.S.C. § 1125(c).

24 29. Quiksilver's use of highly similar tabs after Levi Strauss's mark became famous has
25 diluted or is likely to dilute the distinctive quality of Levi Strauss's Tab trademark in violation of 15
26 U.S.C. § 1125(c).

27 30. Levi Strauss is entitled to injunctive relief pursuant to 15 U.S.C. § 1125(c).

28 31. Because Quiksilver willfully intended to trade on Levi Strauss's reputation and/or to
cause dilution of Levi Strauss's famous trademark, Levi Strauss has suffered great damages and
irreparable harm and is entitled to damages, extraordinary damages, fees and costs pursuant to 15

1 U.S.C. § 1125(c)(2).

2 **FOURTH CLAIM**
3 **CALIFORNIA DILUTION AND TRADEMARK INFRINGEMENT**
4 **(Cal. Bus. & Prof. Code §§ 14245, 14247, 14250)**

5 32. Levi Strauss realleges and incorporates by reference each of the allegations contained
6 in paragraphs 1 through 31 of this Complaint.

7 33. Quiksilver's infringement of Levi Strauss's registered trademark is likely to cause
8 consumer confusion and dilution of Levi Strauss's trademark in violation of California Business &
9 Professions Code Sections 14245 and 14247.

10 34. Quiksilver infringed and diluted Levi Strauss's trademark with knowledge and intent to
11 cause confusion or mistake or to deceive, and with intent to cause dilution.

12 35. Quiksilver's conduct is aggravated by that kind of willfulness, wantonness, malice and
13 conscious indifference to the rights and welfare of Levi Strauss for which California law allows the
14 imposition of exemplary damages.

15 36. Pursuant to California Business & Professions Code §§ 14247 and 14250, Levi Strauss
16 is entitled to injunctive relief and damages in the amount of three times Quiksilver's profits and three
17 times all damages suffered by Levi Strauss by reason of Quiksilver's manufacture, use, display or sale
18 of infringing and/or diluting goods.

19 **FIFTH CLAIM**
20 **CALIFORNIA UNFAIR COMPETITION**
21 **(Cal. Bus. & Prof. Code § 17200)**

22 37. Levi Strauss realleges and incorporates by reference each of the allegations contained
23 in paragraphs 1 through 36 of this Complaint.

24 38. Quiksilver's infringement of Levi Strauss's trademark constitutes "unlawful, unfair or
25 fraudulent business act[s] or practice[s] and unfair, deceptive, untrue or misleading advertising" within
26 the meaning of California Business & Professions Code Section 17200.

27 39. As a consequence of Quiksilver's actions, Levi Strauss is entitled to injunctive relief
28 and an order that Quiksilver disgorge all profits from the conduct alleged in this Complaint.

SIXTH CLAIM
BREACH OF SETTLEMENT AGREEMENT

40. Levi Strauss realleges and incorporates by reference each of the allegations contained in paragraphs 1 through 39 of this Complaint.

41. Under the terms of the 2000 Settlement Agreement, which is attached to this Complaint and incorporated by reference, Quiksilver agreed not to “manufacture, license, sell, offer for sale, distribute, import, export, advertise, promote, or display any item of clothing . . . that displays . . . any tab which is substantially similar to LS&CO.’s Tab Trademark.”

42. Levi Strauss has performed all of its obligations under the 2000 Settlement Agreement.

43. Quiksilver has breached the terms of the 2000 Settlement Agreement by using designs that are substantially similar to Levi Strauss's Tab trademark.

44. As a proximate result of Quiksilver's breach, Levi Strauss has been damaged and has incurred attorneys' fees and costs, as well as suffered irreparable harm for which there is no adequate remedy at law.

PRAYER FOR JUDGMENT

WHEREFORE, Levi Strauss prays that this Court grant it the following relief:

45. Adjudge that Quiksilver has infringed Levi Strauss's Tab trademark in violation of Levi Strauss's rights under common law, 15 U.S.C. § 1114, and/or California law;

46. Adjudge that Quiksilver has competed unfairly with Levi Strauss in violation of Levi Strauss's rights under common law, 15 U.S.C. § 1125(a), and/or California law;

47. Adjudge that Quiksilver's uses are likely to, or have, diluted Levi Strauss's Tab trademark in violation of Levi Strauss's rights under common law, 15 U.S.C. § 1125(c), and/or California law;

48. Adjudge that Quiksilver has breached the terms of the 2000 Settlement Agreement;

49. Adjudge that Quiksilver and its agents, employees, attorneys, successors, assigns, affiliates, and joint venturers and any person(s) in active concert or participation with it, and/or any person(s) acting for, with, by, through or under it, be enjoined and restrained at first during the pendency of this action and thereafter permanently from:

a. Manufacturing, producing, licensing, sourcing, importing, selling, offering for sale, distributing, advertising, or promoting any goods that display any words or symbols that so

1 resemble the Tab trademark as to be likely to cause confusion, mistake or deception, on or in
2 connection with any product that is not authorized by or for Levi Strauss, including without limitation
3 any product that bears any of the Quiksilver tabs which are the subject of this Complaint or any other
4 design that is similar to the Quiksilver tabs that are the subject of this Complaint, or any other
5 approximation of the Tab trademark;

6 b. Using any word, term, name, symbol, device or combination of them that
7 causes or is likely to cause confusion, mistake or deception as to the affiliation or association of
8 Quiksilver or its products with Levi Strauss or as to the origin of Quiksilver's goods, or any false
9 designation of origin, false or misleading description or representation of fact;

10 c. Further infringing the rights of Levi Strauss in and to any of its trademarks in its
11 LEVI'S® brand products or otherwise damaging Levi Strauss's goodwill or business reputation;

12 d. Otherwise competing unfairly with Levi Strauss in any manner; and

13 e. Continuing to perform in any manner whatsoever any of the other acts
14 complained of in this Complaint;

15 50. Adjudge that Quiksilver be required immediately to supply Levi Strauss's counsel with
16 a complete list of individuals and entities from whom or which it purchased, and to whom or which it
17 sold, offered for sale, distributed, advertised or promoted, infringing products as alleged in this
18 Complaint or determined by the Court;

19 51. Adjudge that Quiksilver be required immediately to deliver to Levi Strauss's counsel
20 its entire inventory of infringing products, including without limitation pants and any other clothing,
21 packaging, labeling, advertising and promotional material and all plates, patterns, molds, matrices and
22 other material for producing or printing such items, that are in its possession or subject to its control
23 and that infringe Levi Strauss's Tab trademark as alleged in this Complaint or determined by the
24 Court;

25 52. Adjudge that Quiksilver, within thirty (30) days after service of the judgment
26 demanded herein, be required to file with this Court and serve upon Levi Strauss's counsel a written
27 report under oath setting forth in detail the manner in which it has complied with the judgment;

28 53. Adjudge that Levi Strauss recover from Quiksilver its damages, lost profits, punitive

1 damages and statutory penalties as are available in an amount to be proven at trial;

2 54. Adjudge that Quiksilver be required to account for any profits that are attributable to
3 infringing products, and that Levi Strauss be awarded the greater of (1) three times Quiksilver's profits
4 or (2) three times any damages sustained by Levi Strauss, under 15 U.S.C. § 1117, plus prejudgment
5 interest;

6 55. Order an accounting of and impose a constructive trust on all of Quiksilver's funds and
7 assets that arise out of its infringing activities;

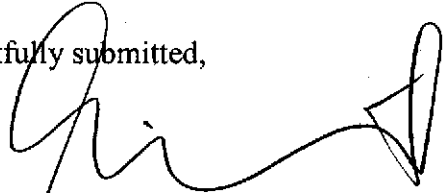
8 56. Adjudge that Levi Strauss be awarded its costs and disbursements incurred in
9 connection with this action, including Levi Strauss's reasonable attorneys' fees and investigative
10 expenses; and

11 57. Adjudge that all such other relief be awarded to Levi Strauss as this Court deems just
12 and proper.

13
14 DATED: March 10, 2011

Respectfully submitted,

15
16 By:


17 Gregory S. Gilchrist
18 KILPATRICK TOWNSEND & STOCKTON LLP
19 Attorneys for Plaintiff
20 LEVI STRAUSS & CO.
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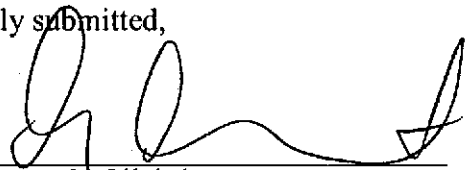
DEMAND FOR JURY TRIAL

Levi Strauss demands that this action be tried to a jury.

DATED: March 10, 2011

Respectfully submitted,

By:



Gregory S. Gilchrist
KILPATRICK TOWNSEND & STOCKTON LLP
Attorneys for Plaintiff
LEVI STRAUSS & CO.

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9 Attorneys for Plaintiff
10 LEVI STRAUSS & CO.

11 UNITED STATES DISTRICT COURT
12 FOR THE NORTHERN DISTRICT OF CALIFORNIA

13 LEVI STRAUSS & CO.,

14 Plaintiff,

15 v.

16 QUIKSILVER, INC.,

17 Defendant.

Case No.

**CERTIFICATION OF INTERESTED
ENTITIES OR PERSONS**

18 Pursuant to Civil L.R. 3-16, the undersigned certifies that as of this date, other than the named
19 parties, there is no such interest to report.

20 DATED: March 10, 2011

Respectfully submitted,

By: 

21 Gregory S. Gilchrist
22 KILPATRICK TOWNSEND & STOCKTON LLP
23 Attorneys for Plaintiff
24 LEVI STRAUSS & CO.

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